

Administrative Services Letter

09-14 Leave Usage



Signed By	/s/ Marie Stephans, Chief Administrative Services Division	Number	09-14
Distribution	All Employees	Date Issued	November 16, 2009
Subject	Leave Use	Expires	When Canceled
Guide Section	Human Resources	Reference	Department of Personnel Administration rules 599.737, 599.738, 599.742, 599.742.1 and 599.754.

This Administrative Services Letter (ASL) on Leave Usage provides you with detailed information on the Air Resources Board's procedures and guidelines for using and accruing vacation/annual leave and the projection of lump sum payment.

Any questions regarding this ASL should be directed to your Human Resources Classification and Pay Analyst in the [Directory of Administrative Services](#).

Leave Usage

Guidelines for Supervisors

Air Resources Board
Administrative Services Division
Human Resources Branch

Preface

It is the intent of the State to allow employees to utilize credited vacation or annual leave each year for relaxation and recreation. It is the employee's responsibility to plan vacations well in advance to minimize conflicts with the operational needs of the department. It is the appointing power's responsibility to provide reasonable opportunity for all employees to take an annual vacation commensurate with their annual accrual rate of vacation or annual leave.

Represented Employees

If an employee does not use all of the vacation/annual leave that the employee has accrued in a calendar year, the employee may carry over his/her accrued vacation/annual leave credits to the following calendar year to a maximum of 640 hours. A department may permit an employee to carry over more than 640 hours of accrued vacation/annual leave hours if an employee was unable to reduce his/her accrued hours because the employee:

1. Was required to work as a result of fire, flood, or other extensive emergency;
2. Was assigned work of a priority or critical nature over an extended period of time;
3. Was absent on full salary for compensable injury;
4. Was prevented by department regulations from taking vacation until December 31, and then was unable to take vacation/annual leave because of sick leave;
5. Was on jury duty;
6. Was prevented by the department head or designee from utilizing accrued vacation/annual leave.

In addition, the carry-over in successive years may only be approved in extenuating circumstances (DPA rule 599.737). These exceptions require the approval of the employee's supervisor, Division Chief, and the Deputy Executive Officer. Furthermore, the Chief of Human Resources should also be notified for monitoring purposes.

It is the employee's responsibility to utilize all vacation hours in excess of the 640 hour cap by the end of each calendar year unless otherwise prevented from doing so as described above. Supervisors should be aware of employee leave balances and must work with employees throughout the year so that adequate leave time is granted to ensure balances remain below the 640 cap. Each January, the Air Resources Board's (ARB) transaction staff will notify supervisors of all employees with vacation/annual leave balances that exceed 640 hours. In these instances, the department will require the employee to submit a vacation request by June 1, which will demonstrate how and when the employee plans to use any hours which will exceed the cap by the end of the calendar year. If the employee fails to submit a plan, or adhere to an approved plan, the

department may then require the employee to take the excess time at the convenience of the department.

Excluded Employees

Employees that are designated confidential, excluded, supervisory, or managerial may accumulate a maximum of 640 hours of vacation/annual leave credits. Time off should be coordinated between employees and the supervisor to assure that excess balances are reduced to the 640 hour maximum before January 1 of the next year. If the employee cannot reduce the balance by January 1, he/she keeps the vacation/annual leave credits but must develop a plan to reduce the balance during the following year.

Each January, ARB's transaction staff will notify supervisors of all excluded employees with vacation/annual leave balances that exceed 640 hours. The supervisor is expected to meet with each employee so affected, by the preceding July 1, to allow the employee to plan time off, consistent with operational needs, sufficient to reduce their balance to the amount permitted by the applicable rule (DPA rule 599.742.1 & 599.738) prior to January 1. When the balances exceed 640 hours because of one of the reasons listed below, the supervisor can request an exception from the department head or designee if the employee was:

- 1) Required to work as a result of fire, flood or other emergency;
- 2) Assigned work of priority or critical nature over an extended period;
- 3) Absent on full salary for compensable injury;
- 4) Prevented by department regulations from taking vacation/annual leave until December and is then unable to take vacation because of sick leave usage;
- 5) On jury duty;
- 6) Prevented by the department head or designee from utilizing accrued vacation/annual leave.

The carry-over of vacation/annual leave credits in successive years may only be approved by the appointing power in extenuating circumstances (DPA rule 599.737). If the employee fails to submit a plan, or adhere to an approved plan, the department may then require the employee to take the excess time at the convenience of the department.

Budgetary Impact

Managers and supervisors should be aware that when an employee separates from State service by retiring or resigning, a lump sum payment is made to the employee for any unused compensable leave credit balances. The compensable leave credits include:

- Annual leave/vacation
- Compensating Time Off (CTO)
- Personal leave
- Personal holiday
- Holiday credit
- Excess hours

- Sick leave (Only when the employee was on workers' compensation, had been approved for a disability retirement, and determined to be permanent and stationary by State Compensation Insurance Fund)

Lump Sum Projection

When lump sum payments are made, the time to be paid off is projected in the vacant position until the balances are exhausted. The projection of any lump sum payment will encumber the position until the projection is completed, unless the employee is paid from temporary help blanket funds. For this reason, managers and supervisors should attempt to keep their employees' annual leave/vacation carryover below the maximum limit. Allowing employees to exceed the maximum limit may result in not being able to refill the position until the leave projections are run out. Additionally, the Board incurs major future fiscal obligations.

Compensating Time Off (CTO)

In accordance with DPA rules and Bargaining Unit Contract Provisions, ARB will determine when to cash out all CTO hours in excess of 240. For example, an employee with 260 hours of CTO will receive a warrant for 20 hours, leaving a CTO balance of 240 hours. CTO balances will be reviewed quarterly by the HR Branch to ensure balances are kept under the 240 hour limit.

Personal Holiday

The department head or designee may require five (5) days advance notice before a personal holiday is taken and may deny use subject to operational needs. When use of a personal holiday is denied, it may be rescheduled, carried over to the next fiscal year, or cashed out on a straight time basis. No more than two Personal Holidays in any fiscal year can be carried over or cashed out (DPA rule 599.754).